UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NORTH CAROLINA WESTERN DIVISION

UNITED STATES OF AMERICA,)	
V.)	5:09-CR-40-1-BR
PHILIP JOE GUYETT, JR.,)	
DEFENDANT.)	

ARRAIGNMENT
MARCH 9, 2009
BEFORE THE HONORABLE W. EARL BRITT
SENIOR U.S. DISTRICT JUDGE

APPEARANCES:

FOR THE GOVERNMENT:

MS. BANU RANGARAJAN ASST. U.S. ATTORNEY 310 NEW BERN AVE. RALEIGH, NC

FOR THE DEFENDANT:

MR. R. DANIEL BOYCE ATTORNEY AT LAW 107 FAYETTEVILLE ST. RALEIGH, NC

COURT REPORTER: DONNA J. TOMAWSKI STENOTYPE WITH COMPUTER AIDED TRANSCRIPTION MARCH 9, 2009

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THE COURT: THE COURT IS NOW GOING TO ITS ARRAIGNMENT CALENDAR. BEFORE I GET INTO IT, MADAM CLERK PLEASE SWEAR IN THE INTERPRETERS.

(SPANISH INTERPRETERS SWORN.)

THE COURT: ALL RIGHT. THE COURT IS GOING TO CALL THE ARRAIGNMENT CALENDAR. AS I CALL THE DEFENDANT'S NAME, THE ATTORNEY SHOULD RESPOND ADVISING FIRST, WHETHER THE DEFENDANT IS PRESENT; AND SECONDLY, IF THE MATTER IS TO BE DISPOSED OF BY PLEA OR TRIAL, AND IF BY TRIAL THE ANTICIPATED LENGTH OF TRIAL.

(CALENDAR CALLED.)

THE COURT: ALL RIGHT. FOR THE NEXT FEW MINUTES I'M GOING TO BE ADDRESSING MY REMARKS TO THOSE OF YOU WHO HAVE INDICATED THROUGH COUNSEL THAT YOU ARE HERE TO PLEAD GUILTY TO SOME CHARGE IN THIS COURT TODAY.

AFTER I HAVE COMPLETED THIS RECITATION OF RIGHTS TO YOU, EACH OF YOU WILL BE BROUGHT UP TO COUNSEL TABLE ALONG WITH YOUR LAWYER, AT WHICH TIME YOU WILL BE PLACED UNDER OATH AND I WILL ASK YOU SOME QUESTIONS. THOSE QUESTIONS WILL BE BASED IN LARGE MEASURE ON THE THINGS THAT I'M GOING TO BE SAYING TO YOU FOR THE NEXT FEW MINUTES SO IT'S CRITICALLY IMPORTANT THAT YOU LISTEN TO EVERYTHING THAT I SAY.

ABOUT RIGHTS THAT YOU HAVE UNDER THE CONSTITUTION AND LAWS OF THE UNITED STATES. IT'S IMPORTANT BECAUSE YOU MUST WAIVE SOME OF THOSE RIGHTS IN ORDER TO ENTER A PLEA OF GUILTY, AND IT'S IMPORTANT BECAUSE, AS I HAVE INDICATED, YOU WILL BE UNDER OATH WHEN QUESTIONED BY ME, MEANING THAT IF YOU GIVE ME ANY FALSE OR INCORRECT ANSWERS YOU COULD SUBJECT YOURSELF TO THE PENALTIES OF PERJURY. I DON'T WANT THAT TO HAPPEN AND I'M SURE YOU DON'T EITHER.

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WHEN YOU COME UP TO COUNSEL TABLE TO BE QUESTIONED BY

ME AND I ASK YOU THE QUESTIONS, IF YOU DO NOT UNDERSTAND A

QUESTION, IF YOU WILL SIMPLY ASK ME TO DO SO, I WILL BE

GLAD TO REPEAT IT. OR IF YOU DESIRE TO CONSULT WITH YOUR

LAWYER BEFORE GIVING YOUR ANSWER IN OPEN COURT, I'LL GIVE

YOU AN OPPORTUNITY TO DO THAT.

I ADVISE EACH OF YOU THAT ON THE CHARGES YOU FACE IN
THIS COURT TODAY, YOU HAVE AN ABSOLUTE RIGHT TO PLEAD NOT
GUILTY AND BE TRIED BY A JURY. YOU ARE PRESUMED BY LAW TO
BE INNOCENT OF THE CHARGES. THAT MEANS YOU DON'T HAVE TO
PROVE ANYTHING; THE BURDEN IS ON THE UNITED STATES
GOVERNMENT TO PROVE YOUR GUILT BY COMPETENT EVIDENCE AND
BEYOND A REASONABLE DOUBT.

IN ORDER TO DO THAT, THE GOVERNMENT MUST BRING
WITNESSES INTO THIS COURTROOM TO TESTIFY TO THE JURY AND
IN YOUR PRESENCE. YOU OR YOUR LAWYER ACTING ON YOUR

BEHALF HAVE AN ABSOLUTE RIGHT TO OBJECT TO THE 1 2 INTRODUCTION OF EVIDENCE BY THE GOVERNMENT, TO 3 CROSS-EXAMINE GOVERNMENT WITNESSES, TO PRESENT EVIDENCE ON 4 YOUR BEHALF, TO HAVE WITNESSES TESTIFY FOR YOU, AND TO THE 5 COMPULSORY PROCESSES OF LAW TO BRING THOSE WITNESSES INTO THE COURTROOM. 6 7 YOU, OF COURSE, MAY TESTIFY IN YOUR OWN BEHALF IF YOU DESIRE TO DO SO. YOU CAN'T BE FORCED TO TESTIFY AND IF YOU ELECT NOT TO, THAT FACT, THAT IS THAT YOU DID NOT 10 TESTIFY, CANNOT BE USED AGAINST YOU IN ANY WAY WHATSOEVER. 11 NOW, BY PLEADING GUILTY, YOU WAIVE MOST OF THE RIGHTS THAT I HAVE JUST OUTLINED. THERE WON'T BE ANY JURY TRIAL, 12 1.3 THERE WON'T BE ANY EVIDENCE PRESENTED EXCEPT SUCH AS I MAY 14 REQUIRE TO SATISFY MYSELF OF YOUR GUILT OR TO PROVIDE ME 15 WITH BACKGROUND INFORMATION ON WHICH TO BASE AN 16 APPROPRIATE SENTENCE. 17 YOU MUST ALSO WAIVE YOUR RIGHT AGAINST SELF-INCRIMINATION BECAUSE BEFORE I WILL APPROVE YOUR 18 19 GUILTY PLEA, I WILL ASK YOU QUESTIONS CONCERNING THE VERY 20 OFFENSE TO WHICH YOU ARE OFFERING TO PLEAD GUILTY AND YOU 21 MUST ANSWER THOSE QUESTIONS TRUTHFULLY AS WELL. 22 BY PLEADING GUILTY TO A FELONY, YOU FORFEIT CERTAIN 23

BY PLEADING GUILTY TO A FELONY, YOU FORFEIT CERTAIN

VALUABLE RIGHTS OF CITIZENSHIP, INCLUDING THE RIGHT TO

VOTE, THE RIGHT TO HOLD PUBLIC OFFICE, THE RIGHT TO SERVE

ON A JURY, THE RIGHT TO OWN OR POSSESS ANY KIND OF A

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FIREARM.

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I ADVISE YOU THAT YOU MAY BE ORDERED TO MAKE

RESTITUTION IN MONEY OR SERVICES TO THE VICTIM OF THE

CRIME TO WHICH YOU PLEAD GUILTY, AND IN CERTAIN CASES

FORFEIT PROPERTY TO THE UNITED STATES GOVERNMENT. THE

COURT MUST IMPOSE A SPECIAL ASSESSMENT ON EACH COUNT TO

WHICH YOU PLEAD GUILTY. IF YOUR OFFENSE INVOLVES FRAUD,

YOU MAY BE ORDERED TO PROVIDE NOTICE OF YOUR CONVICTION TO

THE VICTIM OF YOUR OFFENSE.

IF YOU ARE GIVEN A TERM OF IMPRISONMENT, YOU MAY ALSO BE GIVE A TERM OF SUPERVISED RELEASE IN ADDITION TO THAT TERM OF IMPRISONMENT. THAT TERM WILL BEGIN AT THE END OF YOUR PRISON TERM. IT WILL BE ON CERTAIN CONDITIONS. YOU WILL BE UNDER THE SUPERVISION OF A UNITED STATES PROBATION OFFICER. IF YOU VIOLATE ANY OF THE CONDITIONS OF YOUR SUPERVISED RELEASE, YOU MAY BE REQUIRED TO RETURN TO PRISON TO SERVE THE TERM OF THE SUPERVISED RELEASE.

ON YOUR SENTENCING DATE, IN DETERMINING YOUR

SENTENCE, THE COURT HAS AN OBLIGATION TO CALCULATE THE

APPLICABLE SENTENCING GUIDELINE RANGE, THAT IS THE

ADVISORY GUIDELINE RANGE, AND TO CONSIDER THAT RANGE,

POSSIBLE DEPARTURES UNDER THE SENTENCING GUIDELINES, AND

OTHER SENTENCING FACTORS THAT ARE SET OUT IN 18 U.S.C.

SECTION 3553(A).

NOW, THE UNITED STATES SENTENCING COMMISSION

1 ESTABLISHES THE RANGES SET FORTH IN THE ADVISORY 2 SENTENCING GUIDELINES AND THEY SET WHAT ARE CALLED MINIMUM 3 RANGES AND MAXIMUM RANGES. THE COURT ORDINARILY WILL STAY 4 IN THOSE RANGES IN THE BEGINNING OF A CALCULATION UNLESS 5 THE COURT CAN FIND A REASON FOR A DEPARTURE. THAT OCCURS PRIMARILY IN THREE SITUATIONS. THE FIRST AND MOST 6 7 FREQUENT OF WHICH IS MOTION FOR A DOWNWARD DEPARTURE BASED ON THE SUBSTANTIAL ASSISTANCE BY THE DEFENDANT IN 9 PROVIDING INFORMATION TO THE GOVERNMENT. THAT MOTION MUST 10 BE MADE BY THE UNITED STATES ATTORNEY BEFORE THE COURT CAN 11 CONSIDER IT. THE COURT CAN ALSO DEPART EITHER UPWARDLY OR 12 DOWNWARDLY IF THE COURT FINDS THAT THERE ARE FACTORS 1.3 EXISTING WHICH WERE NOT ADEQUATELY TAKEN INTO 14 CONSIDERATION BY THE SENTENCING COMMISSION IN ESTABLISHING 15 THE GUIDELINE RANGE OR IF THE COURT FINDS THAT THE 16 DEFENDANT'S CRIMINAL HISTORY CATEGORY DOES NOT ACCURATELY 17 REFLECT THE DEFENDANT'S TRUE CRIMINAL HISTORY. NOW, A WRITTEN PRE-SENTENCE REPORT WILL BE PREPARED 18 19 BY THE PROBATION OFFICE TO ASSIST THE COURT IN SENTENCING, 20 AND YOU WILL BE ASKED TO PROVIDE INFORMATION TO GO INTO 21 THAT REPORT. IF YOU DESIRE, YOU MAY HAVE YOUR LAWYER 22 PRESENT WITH YOU WHEN YOU ARE INTERVIEWED BY THE PROBATION 23 OFFICE. 24 NOW, THE COURT WILL NOT BE ABLE TO DETERMINE WHAT 25 YOUR ADVISORY GUIDELINE RANGE IS UNTIL AFTER THAT REPORT

HAS BEEN PREPARED AND BOTH YOU AND THE GOVERNMENT -- AND 1 2 BOTH YOU AND YOUR LAWYER AND THE GOVERNMENT LAWYER HAVE 3 HAD AN OPPORTUNITY TO CHALLENGE THE FACTS THAT ARE SET OUT IN THAT PRE-SENTENCE REPORT. THAT NECESSARILY MEANS THAT 4 NO ONE KNOWS WHAT YOUR ADVISORY GUIDELINE RANGE IS NOW. 5 NEVERTHELESS, YOUR LAWYER, IN PREPARING YOU FOR TODAY'S 6 7 HEARING, HAS TOLD YOU WHERE HE OR SHE HAS CALCULATED YOUR GUIDELINE RANGE WOULD PROBABLY FALL. THAT'S NECESSARY IN 9 ORDER TO PROVIDE YOU WITH THE PROPER ADVICE OF COUNSEL 10 THAT YOU MUST HAVE BEFORE APPEARING BEFORE THIS COURT 11 TODAY. NEVERTHELESS, IF THERE IS SOME DISCREPANCY IN THE 12 NUMBERS AS PREDICTED BY YOUR LAWYER AND THOSE FINALLY 13 DETERMINED BY THE COURT, THAT WOULD NOT GIVE YOU ANY CAUSE 14 OR JUSTIFIABLE REASON TO HAVE YOUR GUILTY PLEA SET ASIDE 15 AND BE TRIED BY A JURY. IN OTHER WORDS, IF YOUR GUILTY 16 PLEA IS ACCEPTED BY THE COURT TODAY, YOU WILL BE BOUND BY 17 THAT IN SPITE OF ANY DISCREPANCY IN THE PREDICTED 18 GUIDELINE RANGE BY YOUR LAWYER AND THE FINAL NUMBERS BY 19 THE COURT. 20 NOW, ON THE DATE OF YOUR SENTENCING THE COURT WILL 21 TAKE THOSE NUMBERS BY THE -- AS DETERMINED BY THE 22 SENTENCING COMMISSION AS THE STARTING POINT IN DETERMINING 23 YOUR SENTENCE AND CONSIDER ANY REQUEST BY YOUR LAWYER FOR 24 A DEPARTURE UNDER THE GUIDELINES, AND THEN ALSO CONSIDER 25 ANY REQUESTS FOR A VARIANCE UNDER 18 U.S.C. SECTION

3553(A) AND THE CASE LAW THAT HAS BEEN DETERMINED BY THE COURTS IN LIGHT OF THOSE PROVISIONS.

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I ADVISE EACH OF YOU THAT PAROLE HAS BEEN ABOLISHED.

THAT MEANS YOU WON'T BE RELEASED EARLY ON PAROLE BUT WILL

SERVE THE SENTENCE ACTUALLY GIVEN LESS ANY POSSIBLE GOOD

TIME CREDITS, THOSE BEING GIVEN SOLELY BY AND IN THE

DISCRETION OF THE UNITED STATES BUREAU OF PRISONS.

AT THE TIME OF YOUR SENTENCING, BOTH YOU AND YOUR LAWYER WILL HAVE AN OPPORTUNITY TO SPEAK TO THE COURT IN MITIGATION OF THE SENTENCE THAT YOU ARE TO RECEIVE.

WHEN YOU COME FORWARD TO BE QUESTIONED BY ME, I'LL ASK YOU SOME QUESTIONS ABOUT YOUR RELATIONSHIP WITH YOUR ATTORNEY, PARTICULARLY YOUR SATISFACTION OR LACK THEREOF OF THE SERVICES THAT YOU HAVE RECEIVED BY THE LAWYER AND IF YOU HAVE ANY COMPLAINTS ABOUT YOUR LAWYER'S SERVICES, YOU NEED TO BRING THAT TO MY ATTENTION AT THAT TIME.

I ADVISE EACH OF YOU THAT IF YOUR PLEA IS ACCEPTED BY
THE COURT, IT WILL BECOME A CONVICTION AND THEN AFTER YOUR
SENTENCE YOU HAVE A RIGHT TO APPEAL. YOU CAN APPEAL YOUR
CONVICTION IF YOU BELIEVE YOUR GUILTY PLEA WAS SOMEHOW
UNLAWFUL OR INVOLUNTARY OR IF THERE'S SOME OTHER
FUNDAMENTAL DEFECT IN THE PROCEEDINGS THAT WAS NOT WAIVED
BY YOUR GUILTY PLEA. YOU HAVE A STATUTORY RIGHT TO APPEAL
YOUR SENTENCE UNDER CERTAIN CIRCUMSTANCES, PARTICULARLY IF

- DEFENDANT MAY WAIVE THOSE RIGHTS AS PART OF A PLEA 1 2 AGREEMENT, AND THOSE WAIVERS ARE GENERALLY ENFORCEABLE. 3 IF YOU BELIEVE THE WAIVER IS UNENFORCEABLE, THEN YOU CAN 4 PRESENT THAT THEORY TO THE APPELLATE COURT. WITH FEW 5 EXCEPTIONS, ANY NOTICE OF APPEAL MUST BE FILED WITHIN TEN DAYS OF JUDGMENT BEING ENTERED IN YOUR CASE. 6 7 IF YOU ARE UNABLE TO PAY THE COSTS OF AN APPEAL, YOU MAY APPLY FOR LEAVE TO APPEAL IN FORMA PAUPERIS, AND AT 9 YOUR REQUEST THE COURT WILL -- THE CLERK OF COURT WILL 10 PREPARE AND FILE A NOTICE OF APPEAL ON YOUR BEHALF. 11 NOW, THREE OF YOU TODAY ARE COMING BEFORE ME ON BILLS 12 OF INFORMATION AS OPPOSED TO BILLS OF INDICTMENT AND I 1.3 HAVE FURTHER ADVICE TO GIVE TO THE THREE OF YOU, NAMELY 14 MR. CANDELARDO, MR. DOMINGUEZ-GONZALEZ, AND MR. GUYETT, 15 JUNIOR. 16 MR. GOULIAN: EXCUSE ME, YOUR HONOR. 17 MR. DOMINGUEZ-GONZALEZ IS PLEADING TO THE INDICTMENT, NOT THE INFORMATION. 18 19 THE COURT: ALL RIGHT. WELL, THOSE OF YOU WHO 20 ARE PLEADING GUILTY TO A CRIMINAL INFORMATION, LISTEN 21 CAREFULLY TO THE ADVICE I'M GIVING YOU NOW WITH REGARD TO 22 WAIVER OF INDICTMENT. 23 THERE ARE TWO WAYS IN WHICH A FELONY CHARGE MAY BE
- BROUGHT BEFORE THE COURT. ONE IS BY INDICTMENT, THE OTHER
 IS BY INFORMATION. THE DIFFERENCE IN THE TWO IS THAT AN

INDICTMENT IS PRESENTED TO THE GRAND JURY WHEREAS AN

INFORMATION IS PRESENTED DIRECTLY TO THE COURT WITHOUT

GOING TO THE GRAND JURY. THAT STEP IN THE PROCESS IS

THERE FOR THE BENEFIT OF THE PERSON ACCUSED, IN THIS CASE

YOU IF YOU ARE THE DEFENDANT.

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THE GRAND JURY IS A GROUP OF YOUR FELLOW CITIZENS WHO
MEET ON CALL OF THE UNITED STATES ATTORNEY TO CONSIDER
POSSIBLE CHARGES AGAINST INDIVIDUALS. THEY MEET AND THEY
LISTEN TO THE EVIDENCE PRESENTED BY THE UNITED STATES
ATTORNEY. ONLY THE UNITED STATES ATTORNEY AND THE
WITNESSES CAN GO INTO THE GRAND JURY ROOM. NEITHER THE
DEFENDANT NOR THE DEFENDANT'S LAWYER IS THERE.

IT IS THE RESPONSIBILITY OF THE GRAND JURY TO

DETERMINE WHETHER THERE'S PROBABLE CAUSE TO BELIEVE THAT A

CRIME HAS BEEN COMMITTED AND WHETHER THERE'S PROBABLE

CAUSE TO BELIEVE THAT THE PERSON NAMED THEREIN COMMITTED

THAT CRIME.

A GRAND JURY IS COMPOSED OF AT LEAST 16 AND NOT MORE
THAN 23 PEOPLE AND AT LEAST 12 GRAND JURORS MUST FIND
PROBABLE CAUSE, AS INDICATED, BEFORE A PERSON CAN BE
BROUGHT TO TRIAL IN OUR COURT.

SO ONCE SOMETHING IS PRESENTED TO THE GRAND JURY, THE GRAND JURY MAY INDICT, THE GRAND JURY MAY NOT INDICT. IF THEY DON'T, THE PERSON CAN'T BE BROUGHT TO TRIAL.

NOW, LIKE SO MANY OTHER CONSTITUTIONAL AND STATUTORY

- 1 RIGHTS, THE RIGHT TO BE INDICTED BY THE GRAND JURY IS ONE
- 2 | THAT CAN BE WAIVED OR GIVEN UP. IN FACT, IF YOU ARE TO
- 3 PROCEED IN THIS COURT BY WAY OF CRIMINAL INFORMATION, YOU
- 4 MUST, IN THIS COURTROOM, WAIVE YOUR RIGHT TO BE INDICTED
- 5 BY THE GRAND JURY. SO KEEP THAT IN MIND WHEN YOU ARE
- 6 CALLED FORWARD.
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- 8 THE COURT: ALL RIGHT. MR. PHILIP GUYETT.
- 9 MR. BOYCE: MAY I APPROACH WITH THE WAIVER, YOUR
- 10 HONOR?
- 11 **THE COURT:** YES, YOU MAY. LET THE DEFENDANT BE
- 12 SWORN.
- 13 | PHILIP JOE GUYETT, JR., BEING FIRST DULY SWORN, TESTIFIED
- 14 AS FOLLOWS DURING **EXAMINATION**:
- 15 **BY THE COURT:**
- 16 Q. MR. GUYETT, HOW OLD ARE YOU?
- 17 **A.** FORTY-ONE.
- 18 | Q. HOW MUCH FORMAL EDUCATION DO YOU HAVE?
- 19 **A.** ABOUT 15 YEARS.
- 20 Q. ARE YOU CURRENTLY EMPLOYED?
- 21 **A.** YES.
- 22 **Q.** DOING WHAT?
- 23 **A.** METAL RECYCLING.
- 24 Q. ARE YOU NOW OR HAVE YOU RECENTLY BEEN UNDER THE CARE
- 25 OF ANY DOCTOR OR PSYCHIATRIST?

- 1 **A.** NO, SIR.
- 2 Q. HAVE YOU EVER BEEN HOSPITALIZED OR TREATED FOR
- 3 NARCOTICS ADDICTION?
- 4 **A.** NO, SIR.
- 5 Q. DURING THE PAST 24 HOURS, HAVE YOU HAD ANY KIND OF
- 6 DRUGS, MEDICINES, PILLS, OR ALCOHOLIC BEVERAGES OF ANY
- 7 KIND?
- 8 **A.** NO.
- 9 Q. MR. BOYCE WHO STANDS WITH YOU IS YOUR LAWYER; IS THAT
- 10 CORRECT?
- 11 **A.** YES.
- 12 | Q. HAVE YOU BEEN FURNISHED WITH A COPY OF THE CHARGES,
- 13 THE CRIMINAL INFORMATION IN THIS CASE?
- 14 **A.** YES.
- 15 Q. HAVE YOU HAD TIME TO READ IT AND GO OVER IT
- 16 THOROUGHLY WITH MR. BOYCE, YOUR LAWYER?
- 17 **A.** YES, SIR.
- 18 Q. DO YOU FEEL AS IF YOU FULLY UNDERSTAND THE NATURE OF
- 19 THE CHARGES?
- 20 **A.** YES, SIR.
- 21 Q. DO YOU SEE ANY NEED FOR ME TO EXPLAIN THE CHARGES TO
- 22 YOU ANY FURTHER?
- 23 **A.** NO.
- 24 Q. I ADVISE YOU THAT THE CHARGES CONTAINED IN THIS
- 25 | CRIMINAL INFORMATION, MR. GUYETT, CONSTITUTE FELONIES

- 1 UNDER THE LAWS OF THE UNITED STATES AND THAT YOU ARE
- 2 | ENTITLED TO HAVE THE MATTER PRESENTED TO THE GRAND JURY.
- 3 WERE YOU SITTING IN THE COURTROOM WHEN I ADVISED ALL
- 4 | OF THE DEFENDANTS EARLIER TODAY ABOUT THE RIGHTS THAT ONE
- 5 HAS TO HAVE A FELONY MATTER PRESENTED TO THE GRAND JURY?
- 6 **A.** YES.
- 7 O. DID YOU LISTEN CAREFULLY TO THE THINGS THAT I HAD TO
- 8 SAY?
- 9 **A.** YES.
- 10 Q. YOU DO UNDERSTAND, DO YOU NOT, THAT YOU HAVE A RIGHT
- 11 | TO HAVE THIS MATTER PRESENTED TO THE GRAND JURY?
- 12 **A.** YES, SIR.
- 13 Q. IS IT YOUR DESIRE TO WAIVE THAT RIGHT AND TO MOVE
- 14 FORWARD BY WAY OF THIS CRIMINAL INFORMATION?
- 15 **A.** YES.
- 16 O. HAS ANYBODY THREATENED YOU IN ANY WAY TO GET YOU TO
- 17 DO THAT?
- 18 **A.** NO.
- 19 Q. HAS ANYBODY MADE ANY PROMISE TO YOU IN ORDER TO GET
- 20 YOU TO DO THAT?
- 21 **A.** NO.
- THE COURT: MR. BOYCE, DO YOU KNOW OF ANY REASON
- 23 WHY YOUR CLIENT SHOULD NOT WAIVE HIS RIGHT TO BE INDICTED
- 24 BY THE GRAND JURY?
- MR. BOYCE: NO, SIR.

BY THE COURT:

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- 2 Q. I HAVE BEEN HANDED, MR. GUYETT, A TYPEWRITTEN
- 3 DOCUMENT READING: "I, PHILIP JOE GUYETT, JUNIOR, THE
- 4 ABOVE NAMED DEFENDANT WHO IS ACCUSED OF COMMITTING MAIL
- 5 | FRAUD IN VIOLATION OF TITLE 18, UNITED STATES CODE, BEING
- 6 ADVISED OF THE NATURE OF THE CHARGE AND PROPOSED
- 7 INFORMATION AND MY RIGHTS, HEREBY WAIVE IN OPEN COURT ON
- 8 MARCH 9, 2009, PROSECUTION BY INDICTMENT AND CONSENT THAT
- 9 THE PROCEEDING MAY BE BY INFORMATION RATHER THAN BY
- 10 INDICTMENT."
- 11 IT APPEARS THAT YOU HAVE SIGNED IT ON THE LINE JUST
- 12 | ABOVE WHERE YOUR NAME IS TYPED PHILIP JOE GUYETT, JUNIOR.
- 13 IS THAT YOUR SIGNATURE?
- 14 **A.** YES, SIR.
- 15 Q. DID YOU AFFIX YOUR SIGNATURE TO THIS PAPER IN THIS
- 16 COURTROOM TODAY?
- 17 **A.** YES, SIR.
- 18 | Q. THE COURT WILL APPROVE THE WAIVER.
- 19 HOW DO YOU PLEAD TO THOSE CHARGES?
- 20 A. GUILTY.
- 21 **THE COURT:** MR. BOYCE, HAVE YOU HAD ANY
- 22 DIFFICULTY COMMUNICATING WITH YOUR CLIENT?
- MR. BOYCE: NONE WHATSOEVER, YOUR HONOR.
- 24 **THE COURT:** DO YOU HAVE ANY REASON TO DOUBT HIS
- 25 COMPETENCE TO ENTER A PLEA?

- 1 MR. BOYCE: NO, SIR.
- 2 **THE COURT:** DOES COUNSEL FOR THE GOVERNMENT?
- 3 **MS. RANGARAJAN:** NO, YOUR HONOR.
- 4 THE COURT: LET THE RECORD REFLECT THAT THE
- 5 COURT FINDS AS A FACT THAT THE DEFENDANT IS COMPETENT TO
- 6 PLEAD.
- 7 BY THE COURT:
- 8 Q. MR. GUYETT, HAVE YOU HAD PLENTY OF TIME AND
- 9 OPPORTUNITY TO DISCUSS THIS CASE WITH MR. BOYCE, YOUR
- 10 LAWYER?
- 11 A. YES, SIR.
- 12 O. ARE YOU SATISFIED WITH THE SERVICES THAT HE HAS
- 13 RENDERED TO YOU AS YOUR LAWYER?
- 14 **A.** YES, SIR.
- 15 Q. DO YOU HAVE ANY COMPLAINTS AT ALL?
- 16 **A.** NO, SIR.
- 17 Q. SITTING WHERE YOU WERE BACK IN THE COURTROOM EARLIER
- 18 | TODAY, DID YOU HEAR AND UNDERSTAND MY EXPLANATION OF THE
- 19 RIGHTS THAT YOU HAVE UNDER THE CONSTITUTION AND LAWS OF
- 20 THE UNITED STATES ON THE CHARGES YOU FACE HERE?
- 21 **A.** YES, SIR.
- 22 **Q.** DO YOU NOW HAVE ANY QUESTIONS YOU'D LIKE TO ASK ME
- 23 ABOUT WHAT I TOLD YOU?
- 24 **A.** NO, SIR.
- 25 | Q. KNOWING THAT YOU MUST WAIVE OR GIVE UP THOSE RIGHTS

- 1 | BEFORE YOU WILL BE ALLOWED TO ENTER A PLEA OF GUILTY, ARE
- 2 YOU ABSOLUTELY SURE THIS IS WHAT YOU WANT TO DO?
- 3 **A.** YES, SIR.
- 4 Q. DID YOU ALSO HEAR AND UNDERSTAND WHAT I HAD TO SAY
- 5 ABOUT THE ADVISORY SENTENCING GUIDELINES?
- 6 A. YES, SIR.
- 7 O. I TAKE IT THAT MR. BOYCE HAS TOLD YOU WHERE HE HAS
- 8 | CALCULATED YOUR GUIDELINE RANGE WILL PROBABLY FALL. HE'S
- 9 DONE THAT, HASN'T HE?
- 10 **A.** YES, SIR.
- 11 | Q. YOU UNDERSTAND THAT IN DOING THAT HE WAS EXERCISING
- 12 HIS BEST PROFESSIONAL JUDGMENT AS YOUR LAWYER?
- 13 **A.** YES, SIR.
- 14 Q. AND THAT IF THE NUMBERS HE HAS FORECAST HAPPEN TO
- 15 DIFFER FROM THE NUMBERS AS FINALLY DETERMINED BY THE
- 16 COURT, YOU WILL STILL BE BOUND BY THE TERMS OF YOUR PLEA
- 17 | ENTERED TODAY IF IT'S APPROVED TODAY?
- 18 **A.** YES, SIR.
- 19 Q. DO YOU HAVE ANY QUESTIONS YOU WANT TO ASK ME ABOUT
- 20 THE SENTENCING GUIDELINES?
- 21 **A.** NO, SIR.
- 22 **Q.** HAS ANYBODY THREATENED YOU OR IN ANY WAY FORCED YOU
- 23 TO COME INTO COURT TODAY TO OFFER TO ENTER THIS PLEA OF
- 24 GUILTY?
- 25 **A.** NO, SIR.

- 1 Q. I HAVE BEEN GIVEN A TYPEWRITTEN MEMORANDUM OF PLEA
- 2 | AGREEMENT CONSISTING OF TEN PAGES, ON THE LAST OF WHICH
- 3 APPEARS THE SIGNATURES OF MR. BOYCE, YOUR LAWYER AND
- 4 MR. JASON COWLEY, THE GOVERNMENT LAWYER. IT ALSO APPEARS
- 5 | THAT YOU HAVE SIGNED IT, PHILIP JOE GUYETT, JUNIOR ON THE
- 6 LINE JUST ABOVE WHERE YOUR NAME IS TYPED. IS THAT YOUR
- 7 | SIGNATURE?
- 8 A. YES, SIR.
- 9 Q. BEFORE YOU SIGNED THIS DOCUMENT, DID YOU READ IT?
- 10 **A.** YES, SIR.
- 11 Q. DID YOU GO OVER IT WITH MR. BOYCE?
- 12 **A.** YES, SIR.
- 13 Q. I TAKE IT THEN THAT YOU FEEL AS IF YOU UNDERSTAND ITS
- 14 CONTENTS?
- 15 **A.** YES, SIR.
- 16 Q. YOU HAVE SEEN ME DO THIS SEVERAL TIMES ALREADY TODAY.
- 17 I'M GOING TO SUMMARIZE MY UNDERSTANDING FOR THE PUBLIC
- 18 | RECORD. WHEN I GET THROUGH, I WANT YOU TO TELL ME IF MY
- 19 UNDERSTANDING AND YOURS DIFFER IN ANY SIGNIFICANT WAY.
- 20 MY UNDERSTANDING IS THAT YOU AGREE TO PLEAD GUILTY TO
- 21 | COUNTS ONE, TWO AND THREE OF THIS CRIMINAL INFORMATION,
- 22 FULLY UNDERSTANDING THAT EACH OF THOSE COUNTS CHARGES YOU
- 23 WITH MAIL FRAUD ON WHICH YOU FACE MAXIMUM PENALTIES OF 20
- 24 YEARS IMPRISONMENT ON EACH COUNT, THREE YEARS SUPERVISED
- 25 | RELEASE ON EACH COUNT, \$250,000 IN FINES ON EACH COUNT,

RESTITUTION, AND A SPECIAL ASSESSMENT IN THE AMOUNT OF \$100 ON EACH COUNT, MAKING A TOTAL STATUTORY MAXIMUM SENTENCE 60 YEARS IMPRISONMENT, THREE YEARS SUPERVISED RELEASE, \$750,000 IN FINES, AND \$300 SPECIAL ASSESSMENT.

THAT YOU HAVE WAIVED YOUR RIGHT TO APPEAL YOUR
SENTENCE, INCLUDING ANY GUIDELINE RANGE ISSUE, RESERVING
ONLY THE RIGHT TO APPEAL FROM AN UPWARD DEPARTURE FROM THE
ADVISORY GUIDELINES. THAT YOU WAIVED YOUR RIGHT TO
CONTEST YOUR CONVICTION OR SENTENCE IN ANY POST-CONVICTION
PROCEEDING. YOU HAVE PRESERVED YOUR RIGHT TO PRESENT BY
WAY OF APPEAL OR MOTION ANY CONTENTION THAT YOU MAY HAVE
WITH REGARD TO INEFFECTIVE ASSISTANCE OF COUNSEL OR
PROSECUTORIAL MISCONDUCT WHICH YOU MAY NOT HAVE KNOWN
ABOUT AT THE TIME OF THE ENTRY OF YOUR PLEA.

YOU'VE AGREED TO ASSIST THE GOVERNMENT IN THE

RECOVERY AND FORFEITURE OF ANY ASSETS WHICH FACILITATE OR

WERE ACQUIRED THROUGH YOUR UNLAWFUL ACTIVITIES, INCLUDING

ALL ASSETS IN WHICH YOU HAVE ANY INTEREST OR CONTROL.

YOU'VE AGREED THAT THE PROCEEDS FROM THE SALE OF YOUR HOME THAT ARE CURRENTLY IN THE POSSESSION OF THE UNITED STATES DEPARTMENT OF JUSTICE SHALL BE USED FOR THE PURPOSES OF PROVIDING RESTITUTION TO THE VICTIMS OF YOUR CRIME, AND CONSENT TO THE TRANSFER OF SAID FUNDS TO THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NORTH CAROLINA TO EFFECT SUCH RESTITUTION.

YOU'VE AGREED TO MEET WITH INVESTIGATIVE AGENTS AND
TELL THEM ALL YOU KNOW ABOUT THIS MATTER, TO TESTIFY FULLY
AND TRUTHFULLY IN ANY PROCEEDING, AND TO SUBMIT TO A
POLYGRAPH EXAM IF REQUESTED TO DO SO BY THE UNITED STATES
ATTORNEY.

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THE GOVERNMENT HAS AGREED, IF I APPROVE THIS, TO NOT FURTHER PROSECUTE YOU FOR CONDUCT GIVING RISE TO THIS INFORMATION; TO MAKE KNOWN TO THE COURT AT SENTENCING THE EXTENT OF YOUR COOPERATION, THOUGH THE GOVERNMENT IS NOT PROMISING TO MOVE FOR A DEPARTURE; THAT SELF-INCRIMINATING INFORMATION PROVIDED BY YOU PURSUANT TO THE AGREEMENT CANNOT BE USED AGAINST YOU IN DETERMINING YOUR GUIDELINE RANGE EXCEPT AS SPECIFICALLY AUTHORIZED BY THE GUIDELINES, NOR USE -- THE GOVERNMENT HAS AGREED NOT TO DIRECTLY USE INFORMATION PROVIDED BY YOU PURSUANT TO THE AGREEMENT TO PROSECUTE YOU FOR ADDITIONAL CRIMINAL OFFENSES OTHER THAN CRIMES OF VIOLENCE.

THE GOVERNMENT HAS, HOWEVER, RESERVED THE RIGHT TO

MAKE A SENTENCING RECOMMENDATION, TO PRESENT EVIDENCE AND

INFORMATION IN REBUTTAL TO ANYTHING YOU OR YOUR LAWYER MAY

SAY AT SENTENCING, AND TO MOVE TO SET ASIDE THIS AGREEMENT

SHOULD IT LATER BE DETERMINED THAT YOU HAVE GIVEN FALSE,

INCOMPLETE, OR MISLEADING INFORMATION.

HAVE I FAIRLY AND ACCURATELY SUMMARIZED THE TERMS AND CONDITIONS OF THIS AGREEMENT AS YOU UNDERSTAND IT?

A. YES, SIR.

1

- 2 | Q. HAS ANYONE TOLD YOU ANYTHING AT ALL TO GET YOU TO
- 3 | SIGN THIS AGREEMENT OTHER THAN WHAT APPEARS ON THE PAGES
- 4 OF THE AGREEMENT ITSELF?
- 5 **A.** NO, SIR.
- 6 Q. HAVE YOU ANSWERED ALL OF MY QUESTIONS TRUTHFULLY?
- 7 **A.** YES, SIR.
- 8 THE COURT: COUNSEL, I NOTICE YOU ARE NOT THE
 9 SIGNED COUNSEL IN THIS CASE, BUT ARE YOU PREPARED TO STATE
 10 WHAT THE GOVERNMENT WOULD BE ABLE TO PROVE IF IT WERE
- 11 READY TO GO TO TRIAL?
- MS. RANGARAJAN: YES, YOUR HONOR.
- THE COURT: MR. GUYETT, I WANT YOU TO LISTEN
- 14 | CAREFULLY TO WHAT THE ASSISTANT UNITED STATES ATTORNEY IS
- 15 GOING TO SAY THAT THE GOVERNMENT WOULD BE PREPARED TO
- 16 PROVE TO PROVE YOUR GUILT AS TO COUNTS -- ALL OF THE
- 17 | COUNTS, ONE THROUGH THREE OF THIS CRIMINAL INFORMATION.
- 18 WHEN SHE GETS THROUGH MAKING THE PROFFER OF WHAT SHE SAYS
- 19 SHE CAN PROVE, I'M GOING TO BE ASKING YOU WHETHER YOU
- 20 ADMIT THAT SHE CAN PROVE THAT. YOU MAY PROCEED.
- 21 MS. RANGARAJAN: THANK YOU, YOUR HONOR. YOUR
- 22 | HONOR, IF THIS MATTER WERE TO PROCEED TO TRIAL, THE
- 23 GOVERNMENT WOULD BE PREPARED TO SHOW THAT BETWEEN
- 24 MARCH 2005 AND DECEMBER 2005, THE DEFENDANT ENGAGED IN A
- 25 | SCHEME TO DEFRAUD CERTAIN PERSONS AND CORPORATIONS FOR THE

1 PURPOSES OF OBTAINING MONEY AND PROPERTY. I
2 FURTHERANCE -- BY MATERIAL FALSE STATEMENTS.

IN FURTHERANCE OF THE SCHEME, ON THE OCCASIONS LISTED IN THE INDICTMENT -- OR IN THE INFORMATION, SPECIFICALLY MARCH 16, 2005; JUNE 2, 2005; AND NOVEMBER 2, 2005, CAUSED ITEMS TO BE SENT AND DELIVERED BY PRIVATE COMMERCIAL CARRIER, SPECIFICALLY FEDERAL EXPRESS, AS LISTED IN THE CRIMINAL INFORMATION.

AS SET FORTH, YOUR HONOR, IN THE CRIMINAL

INFORMATION, WHICH I WOULD LIKE TO INCORPORATE HEREIN BY

REFERENCE, THE DEFENDANT OPERATED A COMPANY CALLED DONOR

REFERRAL SERVICES, THROUGH WHICH HE HARVESTED HUMAN TISSUE

FROM DECEASED PERSONS WHICH WOULD BE EVENTUALLY

TRANSPLANTED INTO OTHER HUMANS AS NEEDED FOR MEDICAL

REASONS.

THE UNITED STATES -- DEPARTMENT OF THE UNITED STATES

FOOD AND DRUG ADMINISTRATION REGULATES THE TRANSPLANTATION

OF HUMAN TISSUE. PURSUANT TO THOSE REGULATIONS, BEFORE

TISSUE MAY BE HARVESTED AND TRANSPLANTED INTO ANOTHER

HUMAN RECIPIENT, CERTAIN MEDICAL INFORMATION NEEDS TO BE

OBTAINED FROM THE -- BY THE HARVESTERS RELATING TO THE

DONOR. THAT MEDICAL INFORMATION IS ANALYZED TO ENSURE

THAT THERE ARE NO DISEASES THAT ARE GOING TO BE

TRANSMITTED BY THE HUMAN TISSUE THAT'S BEING HARVESTED.

FOR EXAMPLE, IF THE DONOR TISSUE TESTS POSITIVE FOR

ANY OF THE LISTED DISEASES THEN THAT TISSUE WOULD BE

PRECLUDED FROM TRANSPLANTATION TO ANOTHER HUMAN RECIPIENT.

IF CERTAIN MEDICAL HISTORY OF A DONOR INDICATES THAT THEY

SUFFERED FROM CANCER OR ANOTHER DISEASE, THAT TISSUE WOULD

BE PRECLUDED FROM TRANSPLANTATION.

1.3

WHAT THE DEFENDANT DID IN THE PRESENT CASE IS HE

ALTERED AND FALSIFIED THE MEDICAL HISTORY OF THE DONORS

AND SUBMITTED FALSE INFORMATION IN ORDER TO MAKE IT APPEAR

THAT THE DONOR TISSUE QUALIFIED FOR TRANSPLANTATION.

AGAIN, THE PURPOSE WAS -- AND MADE MATERIAL FALSE

REPRESENTATIONS IN CONNECTION WITH THAT. WHEN IN FACT

THOSE TISSUES DID NOT QUALIFY FOR TRANSPLANTATION AND

WOULD HAVE BEEN BARRED FROM TRANSPLANTATION UNDER FOOD AND

DRUG ADMINISTRATION'S REGULATIONS.

AN EXAMPLE OF SOME OF THE FALSE MATERIAL

REPRESENTATIONS MADE BY THE DEFENDANT INCLUDED FALSIFYING

BLOOD SAMPLE RESULTS. WHEN THE ORIGINAL DONOR'S BLOOD

SAMPLES TESTED POSITIVE FOR SOMETHING LIKE HEPATITIS C, HE

WOULD SUBMIT A DIFFERENT BLOOD SAMPLE TO SHOW THAT IT DID

NOT IN FACT TEST POSITIVE.

HE WOULD ALSO FALSIFY MEDICAL HISTORY. WHEN HE KNEW FROM GATHERING INFORMATION FROM NEXT OF KIN THAT THE INDIVIDUAL SUFFERED FROM CANCER OR ANOTHER DISEASE THAT WAS ON THE PROHIBITED LIST, HE WOULD FALSIFY THAT INFORMATION, AGAIN GIVING THE APPEARANCE THAT THE HUMAN

TISSUE QUALIFIED FOR TRANSPLANTATION.

SOME OF -- AFTER HE HARVESTED THE TISSUE FROM THE

HUMAN DONOR, HE WOULD SEND THE TISSUE VIA PRIVATE CARRIER,

FEDERAL EXPRESS, AS CHARGED IN THE CRIMINAL INFORMATION

FOR THOSE DATES, TO TISSUE BANKS WHERE IT WAS MAINTAINED

UNTIL NEEDED FOR TRANSPLANTATION INTO HUMAN RECIPIENTS.

HE WOULD RECEIVE BETWEEN 3,000 AND \$7,000 PER HARVEST

BASED UPON THE AGE AND THE TYPE OF TISSUE THAT HE

9 HARVESTED FROM A PARTICULAR PERSON.

AGAIN, THE PURPOSES OF THE FALSE MATERIAL

REPRESENTATIONS WAS TO OBTAIN MONEY FROM THE TISSUE BANKS

IN CONNECTION WITH THOSE HARVESTED TISSUE.

THAT WOULD BE SOME OF THE EVIDENCE THAT THE

GOVERNMENT WOULD BE PREPARED TO PRESENT AT TRIAL IN THIS

CASE IF THE DEFENDANT ELECTED TO PROCEED.

THE COURT: IF YOU WOULD PROCEED TO SET OUT WITH SPECIFICITY THE DATES OF THE THREE COUNTS.

MS. RANGARAJAN: YES. AGAIN, AS I INDICATED

EARLIER, THE GOVERNMENT WOULD BE PREPARED TO SHOW

SPECIFICALLY THAT THERE WERE, AS SET FORTH IN THE CRIMINAL

INFORMATION, ON MARCH 16, 2005; ON JUNE 2, 2005; AND ON

NOVEMBER 2, 2005, THE DEFENDANT SHIPPED VIA FEDERAL

EXPRESS, HUMAN TISSUE.

WITH RESPECT TO THE MARCH 16, 2005, THE SHIPMENT WENT FROM THE EASTERN DISTRICT OF NORTH CAROLINA TO GEORGIA.

- THAT IN JUNE OF 2005, THE SHIPMENT OF HUMAN TISSUE WENT 1 2 FROM THE EASTERN DISTRICT OF NORTH CAROLINA TO UTAH. AND 3 THAT ON NOVEMBER 2, 2005, THE DEFENDANT CAUSED HUMAN 4 TISSUE TO BE TRANSPORTED AND DELIVERED BY FEDERAL EXPRESS 5 FROM NORTH CAROLINA TO TEXAS. THE COURT: THANK YOU, MA'AM. 6 7 BY THE COURT: Q. ALL RIGHT, MR. GUYETT. DO YOU ADMIT THE GOVERNMENT 9 IS PREPARED TO PROVE EXACTLY WHAT THE PROSECUTOR HAS JUST 10 STATED? 11 A. YES, SIR. THE COURT: YOU MAY HAVE A SEAT. THE COURT IS 12 13 SATISFIED AND FINDS THAT THE PLEA WAS FREELY AND 14 VOLUNTARILY ENTERED. AT THE TIME IT WAS ENTERED, THE 15 DEFENDANT HAD A FULL AND COMPLETE UNDERSTANDING OF THE 16 NATURE OF THE CHARGES AND THE MAXIMUM PENALTIES PROVIDED 17 BY LAW, AND THAT A FACTUAL BASIS EXISTS FOR THE PLEA. THE AGREEMENT IS THEREFORE APPROVED. 18 19 THE CLERK IS DIRECTED TO ENTER JUDGMENT GUILTY AS TO 20 THE THREE COUNTS CONTAINED IN THE CRIMINAL INFORMATION. 21 SENTENCING WILL BE IN RALEIGH ON THE 1ST DAY OF JUNE, 2009. IS THE GOVERNMENT WILLING TO STIPULATE? 22 23 MS. RANGARAJAN: YES, YOUR HONOR.
- 24 THE COURT: AND HAVE YOU HAD ACCESS TO THE 25 PRETRIAL REPORT SUBMITTED BY PRETRIAL?

MS. RANGARAJAN: YES, YOUR HONOR. THE GOVERNMENT WOULD ASK, AS THEY RECOMMENDED, THE DEFENDANT SURRENDER HIS PASSPORT, PLEASE. THE COURT: ALL RIGHT. UPON STIPULATION BY THE GOVERNMENT THAT THE DEFENDANT IS NEITHER A RISK OF FLIGHT NOR DANGER TO THE COMMUNITY, THE COURT WILL ALLOW HIM TO REMAIN AT LIBERTY UNTIL HIS SENTENCING ON THE 1ST DAY OF JUNE 2009, UPON A \$25,000 UNSECURED BOND UNDER THE USUAL CONDITIONS OF RELEASE AND SPECIAL CONDITION THAT HE SURRENDER HIS PASSPORT TO THE CLERK'S OFFICE. ALL RIGHT. YOU MAY STAND ASIDE. MR. BOYCE: THANK YOU, YOUR HONOR. END OF TRANSCRIPT

CERTIFICATE THIS IS TO CERTIFY THAT THE FOREGOING TRANSCRIPT OF PROCEEDINGS TAKEN AT THE CRIMINAL SESSION OF UNITED STATES DISTRICT COURT IS A TRUE AND ACCURATE TRANSCRIPTION OF THE PROCEEDINGS TAKEN BY ME IN MACHINE SHORTHAND AND TRANSCRIBED BY COMPUTER UNDER MY SUPERVISION. THIS THE 6TH DAY OF JANUARY, 2010. /S/ DONNA J. TOMAWSKI DONNA J. TOMAWSKI OFFICIAL COURT REPORTER